



Entergy Arkansas  
425 West Capitol Avenue  
P.O. Box 551  
Little Rock, AR 72203  
Tel 501 377 4000

RECEIVED  
TN REG. AUTHORITY

MAR 7 2003

'03 MAR 10 AM 9 34

March 5, 2003

ENERGY & WATER DIVISION  
TN REGULATORY AUTHORITY  
DOCKET ROOM

Mr. Dan McCormac  
Chief, Energy and Water Division  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Tennessee Regulatory Authority (TRA) Docket No. 03-00083  
Entergy Arkansas, Inc. (EAI) Proposed Policy Schedule No. 8,  
Quick Payment Center

Dear Mr. McCormac:

Your request for additional information on Quick Payment Centers (QPCs) was received via facsimile on Wednesday, February 26, 2003 and in the mail on Friday, February 28, 2003. To meet your required response date of no later than March 5, 2003, this response is being expedited and will be delivered via electronic mail and subsequently followed by a hard copy response through first class mail.

Responses to your questions are provided below.

1. Are the Quick Payment Centers ("QPC" or "QPCs") operated by Entergy? If not, who is responsible for them?

*Response:* EAI Quick Payment Centers (QPCs) are operated by retail businesses contracted with American Payment Systems, Entergy Arkansas' third party payment vendor. Please refer to Page 6, lines 3-4 and 7-13 of the Direct Testimony of Wanda L Rice.

2. It is stated in the petition that Entergy Arkansas, Inc. ("Entergy") was granted approval by the Arkansas Public Service Commission ("APSC") to recover costs associated with the QPCs. How much did Entergy recover during the most recent 12 fiscal months for these costs?

*Response:* While Policy Schedule No. 8, Quick Payment Center, has been approved by the APSC, it has not been implemented. No costs have been recovered from implementing Policy Schedule No. 8.

For year ending December 31, 2002, EAI spent \$1,260,912.96 for QPCs in combined total fees to American Payment Systems and authorized agents.

3. If the customers stop paying their bills at the QPCs will Entergy incur any costs in eliminating this service?

*Response:* EAI will not incur any costs if Tennessee customers stop paying at QPCs.

4. How many Tennessee customers currently use the QPCs?

*Response:* EAI has 38 Tennessee customers. Approximately one-third of EAI's Tennessee customers have made recent payments at QPCs.

5. Will Entergy continue to pay the amounts embedded in its rates to American Payment Systems? If not, how will Entergy specifically enhance the QPCs with any cost savings generated from not paying the bill collection fee currently included in the company's rates?

*Response:* Entergy Arkansas will continue to pay American Payment Systems and QPC agents' compensation fees at 'free sites'. Cost savings will be used to offset the increased costs of maintaining 'free' payment centers and to make improvements to QPC processes. EAI will track those cost savings as they are achieved. Please refer to Pages 10-11 of the Direct Testimony of Wanda L. Rice.

6. The attached Exhibit No. WLR-2 lists the available QPCs. No Tennessee locations exist on this list. Are there any Tennessee locations or are there any planned locations in Tennessee? If so, where would they be located?

*Response:* There are no Entergy Arkansas authorized QPCs in Tennessee. Currently there are no plans to open any QPCs in Tennessee. The three QPCs that have been used by EAI's Tennessee customers are located in Harrisburg, Osceola, and Trumann, which are all 'free sites.' Another site used by these customers was located in Tyronza; however, it is no longer in service.

7. Enclosed in the petition is a photocopy of a rate change notice published in the *Arkansas Democrat Gazette*. Is this newspaper considered one that is of general circulation for the area within Tennessee that Entergy serves?

*Response:* Pursuant to Order No. 2 in APSC Docket No. 02-150-TF, EAI published its notice in newspaper covering general circulation area for Arkansas customers and is also considered of general circulation for Tennessee customers.

8. If this petition is not approved by the Tennessee Regulatory Authority would any Tennessee customers not be allowed to pay their bill using an Arkansas

Mr. Dan McCormac  
Page 3  
March 5, 2003

based QPC? Would they be charged the \$.75 fee? Where is the closest Arkansas based QPC located to your Tennessee customers?

*Response:* Paying at an authorized walk-in payment center is just one payment option available to Entergy Arkansas customers. Walk-in customers will have the choice of paying at one of our centrally located 'free sites' or they may choose to pay the 75-cent convenience fee to pay at a conveniently located QPC. QPCs near Tennessee customers are located in Blytheville, Osceola, Marion and West Memphis. All these locations will have a 'free site'.

If you have any questions regarding the response to any of the above questions, please call me at (501) 377-5489.

Sincerely,

A handwritten signature in black ink, appearing to read "William R. Morgan". The signature is fluid and cursive, with a large initial "W" and a long, sweeping underline.

William R. Morgan  
Manager, Arkansas Regulatory Affairs